

INSIGHTS

108th Congress
July 1, 2003

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Weekly Summary

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INSIGHTS is prepared expressly for the Department of Energy's Office of Federal Energy Management Programs (FEMP). The purpose of *INSIGHTS* is to provide FEMP management staff with timely information on legislative activities relevant to the program. *INSIGHTS* is prepared for FEMP by Energetics, Incorporated, (202) 479-2748.

July 1, 2003 INSIGHTS: 108th Congress

I. WEEKLY SUMMARY

CONGRESSIONAL SCHEDULE

Congress is in recess this week for the July Fourth Holiday and will return next week, resuming work on FY 2004 annual appropriations bills.

CONFERENCE COMMITTEES/VOTES

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II. COMMITTEE ACTIVITY

HOUSE

Hearings

No new activities of interest to report.

Legislation

FY 2004 Appropriations Last week, the Committee on Appropriations marked up and approved four new bills; since the bills are not yet available in print, limited details have been provided by the House. Additional details will be provided in the next issue of *INSIGHTS*.

H.R. ____ - FY 2004 Appropriations for Agriculture, Rural Development, and Related Agencies - \$17.005 billion

- *H.R.* FY 2004 Appropriations for Defense \$368.7 billion
- H.R. _____ FY 2004 Appropriations for Interior and Related Agencies \$19.6 billion and includes:
 - ➤ Department of Energy \$879.5 million for energy efficiency programs
 - Department of the Interior \$682 million for National Park Service Maintenance and Backlog Program

H.R. _____ - FY 2004 Appropriations for Labor, Health and Human Services, and **Related Agencies** - \$138.04 billion

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SENATE

Hearings

Office and Management and Budget (OMB) On June 26, the Senate confirmed Joshua Bolten to serve as the next Director of OMB. In his most recent assignment, Mr. Bolton served as the President's Deputy Chief of Staff. Mr. Bolten succeeds Mitch Daniels who has served as the Director for the past two years.

Legislation

S. 1356 - FY 2004 Appropriations for Labor, Health and Human Services, and Related Agencies - \$137.6 billion. On June 25, the Committee on Appropriations marked up FY 2004 Appropriations for the Departments of Labor, Health and Human Services, and Education. The bill includes the following provisions of interest:

<u>Department of Labor</u> - Employment and Training Administration (\$ was appropriated in FY 2003)

➤ Job Corps – Unspecified funding for construction, alteration, and repair of buildings and other facilities.

<u>Department of Health</u> – Center for Disease Control and Prevention – \$4.644 billion (\$4.495billion was appropriated in FY 2003) and includes:

- ➤ Buildings and Facilities \$250 million for the planning, design, and construction of new facilities, repair and renovation of existing CDC facilities, and data security and storage.
- ➤ Building and Facilities \$89.5 million for buildings and facilities.

S. 1357 - FY 2004 Appropriations for Military Construction - \$9.1 billion On June 26, the Committee on Appropriations marked up FY 2004 Appropriations for Military Construction and Family Housing. The bill includes the following provisions of interest:

- ➤ <u>Military Construction</u>: \$1.1 billion for barracks, \$16.1 million for child development, \$165.7 million for hospital and medical facilities, \$691.3 million for Guard and Reserve components.
- ➤ <u>Military Construction Components</u>: \$4.6 billion total includes \$1.071 billion for the Army, \$1.156 billion for the Navy, \$1.056 billion for the Air Force, and \$679.9 million for Defense-Wide activities).
- Reserve Components: \$691.2 million total(includes \$304 million for Army National Guard, \$221 million for Air National Guard, \$73.9 million for Army Reserve, \$34.7 million for Naval Reserve, and \$57.4 million for Air Force).
- Family Housing: \$4 billion (includes \$1.2 billion for new family housing and improvements to existing units, \$2.8 billion for operation and maintenance of existing units).
- Family Housing and Construction for Components: \$1.4 billion for Army Housing, \$220.6 million for Army Construction, \$1.033 billion, Construction \$155.3 million for Navy and Marine Corps Construction, \$1.46 billion for Air Force Housing, \$399.6 million Air Force Construction, \$50 million Defense-Wide Housing.

In addition, provided below is explanatory language included in Senate Report 108-82:

- Necessary Military Construction: Because a comprehensive plan is not yet developed, the committee is unwilling to undertake extensive new military construction projects that would begin the implementation of that plan without a thorough and deliberate review by Congress. The committee expects that the *Fiscal Year 2005 Military Construction Act* will be the vehicle by which new overseas construction initiatives will be implemented; it does not rule out the possibility of considering pressing military construction needs in a supplemental appropriation.
- ➤ Impact of Military Housing Privatization on Local School Districts: The committee supports the DOD program to privatize military family housing. The Department has shown that private sector financing, ownership, operation, and maintenance housing can help to eliminate inadequate housing faster than could otherwise be achieved.... [However], The committee is concerned about the impact of privatization projects on local school districts.
- ➤ <u>Barracks Privatization and Construction Practices</u>: The committee believes that the report's recommendations directs the Secretary of Defense to provide a progress report by March 1, 2004. The report should detail actions taken in response to GAO recommendations and itemize any budgetary savings achieved as a result of implementing the recommendations.
- ➤ Real Property Maintenance Reporting Requirement: The Department is directed to continue to provide the real property maintenance backlog at all installations for which there is a requested construction project in future budget requests.
- ➤ <u>Medical Construction Program:</u> \$170.3 million for seven major construction projects plus planning and design, and unspecified minor construction.
- Contingency Construction: \$8.9 million for unforeseen facility requirements.
- ➤ Energy Conservation: \$69.5 million for the Energy Conservation Investment Program (ECIP). The committee commends the Department for emphasizing the importance of this innovative program. The Department accounts for three fourths of Federal energy consumption. According to DOD, ECIP projects improve energy and water efficiency in existing facilities and produce average savings of four dollars for every dollar invested. The Department has estimated that up to \$420 million in energy cost savings could be produced as a result of the proposed fiscal year 2004 ECIP investment.

The committee is particularly pleased to note the inclusion of several renewable energy projects in the fiscal year 2004 ECIP program, including the acquisition of geothermal heat pumps. The committee is aware that acquisition of renewable energy is often the most cost effective means of reaching energy conservation goals, and encourages the use of ECIP funding for that purpose.

The committee directs that of the funds included in the fiscal year 2004 ECIP account, \$2.5 million be used to continue the assessment of the regional potential of renewable energy generation, transmission, and distribution by industry on or near DOD installations in the U.S. (*Senate Report 107-68*). The committee directs the Air Force to continue to serve as program management lead for the assessment. The report should include proposals to coordinate and accelerate renewable energy development and utilization, focused on building capability according to the potential within each of the services. The committee agrees to provide additional time for completion of the study. An interim report must be submitted no later than October 30, 2003, and a final report no later than July 31, 2004.

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S. 14 – Energy Policy Act of 2003 Pete Domenici (R/NM), Chair of the Committee on Energy and Natural Resources has reportedly been meeting with members to resolve issues associated with Title XI of the bill, which deals with electricity restructuring. Southern Senators Mary Landrieu (D/LA) and Trent Lott (R/MS) have drafted an amendment dealing with "participant-funded" transmission issues; the amendment is expected to be introduced with the Senate resumes negotiations on the bill in late July.

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III. STATUS OF FY 2004 APPROPRIATIONS BILLS

(In Millions)

HOUSE

SENATE

Jurisdiction/ FY 2004 Budget Request	302(b) Allocations / Approved Funding Level	Bill No.	Full Cmte.	Floor	Conf.	302(b) Allocations /Approved Funding Level (New)	Bill No.	Full Cmte.	Floor	Conf.
Agriculture 17,141	17,005	<i>H.R</i>	6/25			17,005				
Commerce 37,685	37,914					37,014				
Defense 371,698	368,662	<i>H.R.</i>	6/26			368,662				
Energy and Water Development 26,946	27,080					27,313				
Homeland Security 27,481	28,521	H.R. 2555	6/12			28,521				
Interior 19,552	19,627	<i>H.R.</i>	6/25			19,627				
Labor / HHS 137,990	138,046	<i>H.R.</i>	6/25			-)	S. 1356	6/26		
Military Construction 9,237	9,196	H.R. 2559	6/17				S. 1357	6/26		
Transportation and Treasury 27,802	27,502					27,502				
VA/HUD 89,434	90,034					90,034				

Red Italics = scheduled date

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IV. NEW LEGISLATION

(Note: Once a new bill is introduced, the Government Printing Office generally requires from several days to one week to make the bill available in print)

See detailed provisions for all bills at: thomas.loc.gov

HOUSE

Number		Short title	Date	Sponsor	Status		
H.R.	2573	Public Private Partnership Act of 2003	6/24/03	Steve LaTourette (R/OH)	Referred to Committee on Transportation and Infrastructure. 6/25 Mark-up order to be reported by voice vote.		
		Sec. 3902. Agreem Consideration may services may include	United States Code, to make reforms in the management and development of				
		Proceeds from Proposition of the GAS shall be	perty of G e deposited - The agre	SA - Net proceeds invo d into the Federal Build	 (1) Deposit In Federal Buildings Fund: olving real property under the jurisdiction dings Fund. the last day of the 6-year period beginning 		

SENATE

No new bills of interest to report.

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V. ADMINISTRATION INITIATIVES

FY 2004 Appropriations Last week, the Office of Management and Budget released the following "Statement of Administration Policy" on *H.R.* 2559 – *FY 2004 Appropriations for Military Construction*:

The Administration supports House passage of the FY 2004 Military Construction Appropriations Bill, as reported by the House Committee. The bill ensures that the Nation's military

construction priorities are met, and provides the resources and infrastructure for our fighting forces at home and abroad...

...The bill provides \$9.1 billion for military construction and family housing, \$40 million below the President's request. While the bill contains a number of unrequested projects, the bill provides resources critical to improving the quality of life of military families. The Administration appreciates the Committee's support for programs that are necessary to change the overseas basing strategy.

Natural Gas Summit Last week, Secretary Abraham addressed the Natural Gas Summit, which was organized at his request. In his remarks, Secretary Abraham said:

This natural gas summit comes at a critical time because, along with our discussions on things we can do in the short term, we must also focus on the smart uses of energy. Natural gas demand is projected to grow 50 percent over the next 25 years. Increasing our production and storage capacities is important, but we must also focus on using our natural gas resources wisely and to our own best benefit...When we announced this meeting last month, I hoped that it would bring together a wide-ranging group – consumers, producers, businesses and industries, regulators, efficiency experts, and government officials – to brainstorm and share ideas about ways to conserve energy, as well as things industry and governments can do to affect short-term gas use, storage, and production.

Secretary Abraham also said, "our goal coming out of this summit is to take quick and decisive action were possible to diminish the immediate impact of lower than expected supplies of gas." Concluding his speech, Secretary Abraham called on Congress to quickly pass the Administration's energy bill now working its way through the legislative process.

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VI. HEARINGS SCHEDULE

HOUSE - COMMITTEE ON APPROPRIATIONS

No new hearings of interest to report.

HOUSE - AUTHORIZATIONS/OVERSIGHT

No new hearings of interest to report.

SENATE – COMMITTEE ON APPROPRIATIONS

No new hearings of interest to report.

SENATE - AUTHORIZATIONS/OVERSIGHT

Date/Committee	Chair	Hearing Title/Issues	Witnesses	Time/ Location
July 8 –	Craig Thomas (R/	Hearing –	TBA	10 a.m. Room 366
Subcommittee on	WY)	To examine maintenance		Dirksen Office
National Parks		backlog and other concerns within the		Building
(Committee on		National Park System,		
Energy and		including the impact of		
Natural Resources)		new park unit designations.		
(NEW)		-		
July 10 –	Pete	Hearing –	TBA	10 a.m.
Committee on	Domenici (R/NM)	To examine the high		Room 216 Hart Office Building
Energy and	(10/1111)	price of natural gas, its		Thair Office Building
Natural Resources		effect on the economy, and to consider potential		
(NEW)		solutions.		
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CONFERENCE COMMITTEE NEGOTIATIONS/FLOOR VOTES

Date and Action Item	Topic	Location
Mid- to Late - July (bill is put on	Floor Consideration and Voting	U.S. Capitol
hold to address other pressing	- S. 14 – Energy Policy Act of	
legislative issues)	2003 proposed amendments	

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